



Portland General Electric Company
121 SW Salmon Street • Portland, Oregon 97204

November 6, 2013

Board of Governors
California ISO
PO Box 639014
Folsom CA 95763-9014

Dear Board of Governors:

Portland General Electric Company (PGE) has been actively involved in several initiatives related to an Energy Imbalance Market (EIM), including the CAISO EIM Stakeholder process. PGE strongly supports the development of an EIM that will provide market efficiencies while increasing regional reliability and situational awareness.

PGE has commented on both CAISO's EIM stakeholder process and its proposed EIM governance proposal, and commends CAISO for its time and efforts in reaching a workable market design. PGE understands the sheer complexities of designing such a market in a manner that will achieve the intended benefits of this effort, while avoiding potentially harmful unintended consequences. As noted by other stakeholders and by PGE, we encourage the Board to reconsider the proposed timeline, and modify that timeline to allow for a more phased-in approach for implementation that includes an extension to the stakeholder process. PGE and other stakeholders have raised several concerns that may warrant further consideration. The development and implementation of an EIM market could be extremely beneficial for the Western Interconnection, and it is critical that the delivery and design of such a market be carefully crafted and free of unnecessary regulatory and governance concerns. Moreover, this effort should proceed at a pace that allows stakeholders to develop a clear understanding of potential operational constraints and seams issues.

Again, PGE applauds all the work that has been invested in the CAISO EIM stakeholder process and appreciates the inclusion of its customers' comments to influence the Board's decision on the EIM market. PGE will continue to closely follow the CAISO EIM process, and hopes that after careful consideration, the Board will decide to extend the proposed EIM timeline.

Respectfully,

A handwritten signature in blue ink, appearing to read "Terri Peschka".

Terri Peschka
General Manager, Power Operations